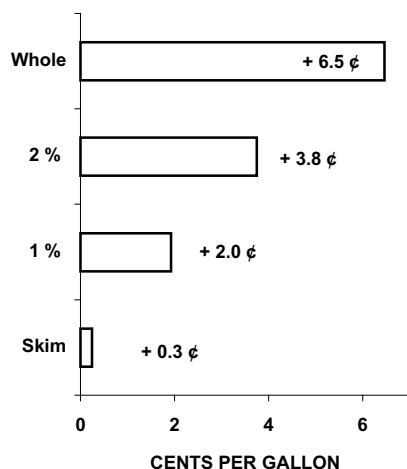


MILK PRICING NEWSLETTER

Dairy Marketing Branch, CDFA

April 2001

MAY PRICE INCREASES



ANNOUNCEMENT OF MINIMUM FARM PRICES FOR MILK FOR MAY 2001

Commodity prices for butter, nonfat dry milk, and Cheddar cheese are used to calculate the fluid milk price. This month showed a dramatic increase in the commodity price of butter which resulted in whole milk prices increasing 6.5 cents per gallon. Because they have lower butter fat contents, other fluid products increased by lessor amounts.

Minimum Farm Prices for Various Fluid Milks by Container Size for May 2001

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Northern California						
Whole Milk	\$1.369	\$0.685	\$0.342	\$0.171	\$0.114	\$0.086
Reduced Fat (2%)	\$1.226	\$0.613	\$0.306	\$0.153	\$0.102	\$0.077
Lowfat (1%)	\$1.139	\$0.569	\$0.285	\$0.142	\$0.095	\$0.071
Nonfat (Skim)	\$0.846	\$0.423	\$0.211	\$0.106	\$0.070	\$0.053
Southern California						
Whole Milk	\$1.393	\$0.696	\$0.348	\$0.174	\$0.116	\$0.087
Reduced Fat (2%)	\$1.249	\$0.625	\$0.312	\$0.156	\$0.104	\$0.078
Lowfat (1%)`	\$1.163	\$0.581	\$0.291	\$0.145	\$0.097	\$0.073
Nonfat (Skim)	\$0.870	\$0.435	\$0.217	\$0.109	\$0.072	\$0.054

Price Changes from April 2001 Pricing Period

	Gallon	1/2 Gallon	Quart	Pint	1/3 Quart	1/2 Pint
Whole Milk	\$0.065	\$0.032	\$0.016	\$0.008	\$0.005	\$0.004
Reduced Fat (2%)	\$0.037	\$0.019	\$0.009	\$0.005	\$0.003	\$0.002
Lowfat (1%)	\$0.019	\$0.010	\$0.005	\$0.002	\$0.002	\$0.001
Nonfat (Skim)	\$0.002	\$0.001	\$0.001	\$0.000	\$0.000	\$0.000

California Department of Food and Agriculture

William (Bill) Lyons Jr., *Secretary*

Robert "Tad" Bell, *Undersecretary*

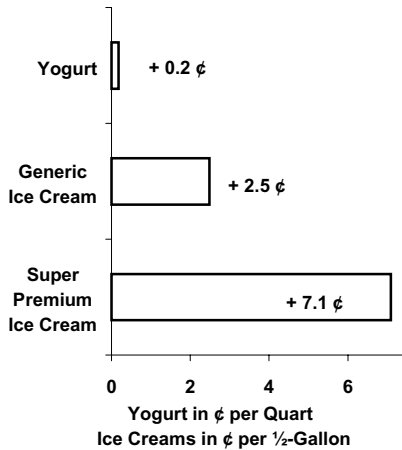
Daniel E. Webb, *Deputy Secretary*

Vanessa Arellano, *Assistant Secretary*

Phone (916) 654-1456; Homepage Address: www.cdfa.ca.gov/dairy

Minimum Farm Prices for the Milk Component in Manufactured Dairy Products

APR.-MAY. PRICE INCREASES



1/ Southern California yogurt and ice cream milk product prices may be up to 1 cent more.

2/ Yogurt and ice cream prices change every second month.

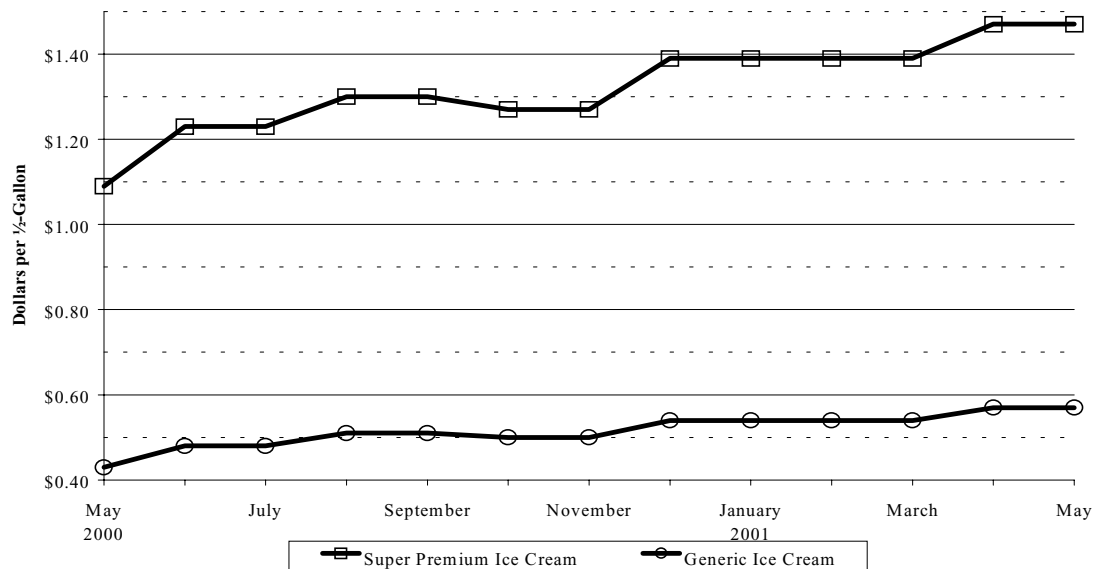
California Milk Component Farm Prices^{1/}

	Lowfat yogurt (\$/quart)	Super-premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
January	\$0.23	\$1.39	\$0.54	\$1.07	\$0.92
February	\$0.23	\$1.39	\$0.54	\$1.21	\$1.00
March	\$0.23	\$1.39	\$0.54	\$1.39	\$1.13
April	\$0.23	\$1.47	\$0.57	-----	-----

Price Change from the Prior Pricing Period^{2/}

	Lowfat yogurt (\$/quart)	Super-premium ice cream (\$/1/2 gal)	Generic ice cream (\$/1/2 gal)	Butter grade AA (\$/lb)	Cheese (\$/lb)
January	-----	-----	-----	\$0.27-	\$0.01-
February	\$0.00	\$0.00	\$0.00	\$0.14	\$0.08
March	-----	-----	-----	\$0.18	\$0.13
April	\$0.00	\$0.12	\$0.03	-----	-----

Farm Component of Ice Cream Prices



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